

Homelessness and Housing Strategic Funding Framework



Human Services Department

and

Housing and Community Development
Department

Agenda

Framework

New funding/Performance Measures

Recommendations

Next Steps

Oakland's Homelessness Crisis

- Point-in-time count in 2019
 - 4071 people experiencing homelessness
 - Homeless population increased 47% between 2017 and 2019
 - 79% of people are unsheltered
 - 70% of people experiencing homelessness are African American compared to 24% of general population
- Estimate for 2022 count based on past growth:
 - increase of 60% since 2019
 - roughly **6500** unsheltered individuals

Invest Across A Continuum of Services



STABILIZE

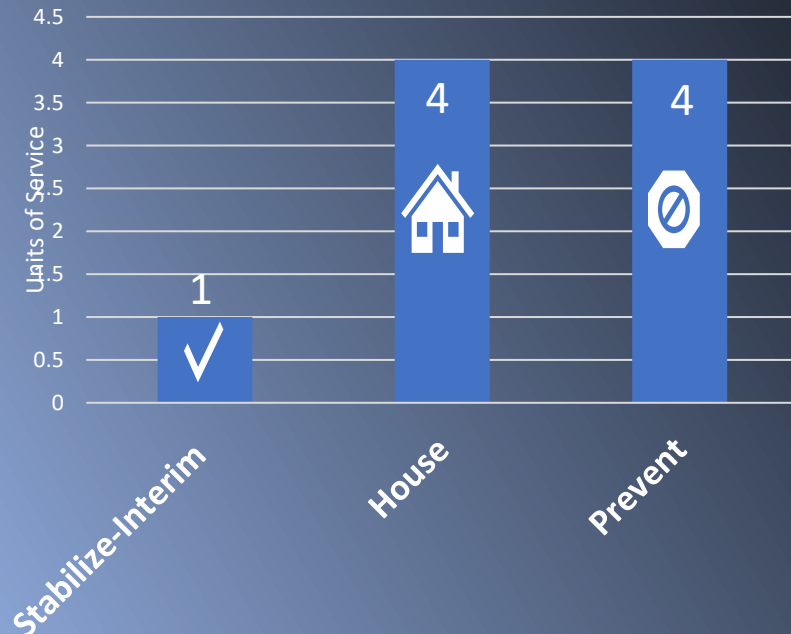


HOUSE



PREVENT

Oakland's Proposed Framework



PATH Framework** County Home Together ** All Home Regional Plan

- All plans demand investment in stabilize, house, prevent.
- Goal: aggressively reduce unsheltered homelessness by 75% in 3 years.
- Capital and Operating Gap over 3 years - \$1.3 Billion
- Ratio 1-4-4 Need more of ALL elements.
- For every 1 interim bed, 4 units of ELI housing, 4 prevention units.
- Returning in 2022 with specific Oakland modeling to guide current and future funding decisions.
- Unprecedented opportunity with coming state/federal \$ to transform work.

RECENT SYSTEM ADDITIONS

FY 20-21 Additions to System

- Family Matters Shelter
- YSA Transitional Housing
- Lake Merritt Lodge (FEMA)
- HomeBase
- Covenant House YEAH shelter
- HomeKey –Perm Units Subsidy
- Expanded Outreach
- Expanded Hygiene Sites
- Capacity Building for Black led, grassroots agencies

Total: 355 beds; 142 units of perm housing (thru Homekey)

FY 21-22 Additions to System

- Wood St Safe Parking
- Lakeview Village
- Union Pt on the Rise
- 3rd/ Peralta Co-Governed Site

Total: 40 RV spaces; 121 beds

State Homelessness Funds Unallocated

	Admin	Youth Set Aside	General Program	Total	Grant term	Encumbrance/Spending Deadlines
HHAP-1 (fully expended by FY 21-22)	0	\$945,000	\$01	\$945,000	May 2020 - June 2025	50% encumbered on or before May 31st, 2022 Fully allocated for FY 21-22, January council report for grant clean up only.
HHAP-2	\$0	\$744,925	\$7,914,833	\$8,659,758	October 2021 - June 2026	50% encumbered on or before May 31st, 2023. Admin applied to current staff
HHAP-3	\$0	\$2,406,682	\$19,975,462	\$22,382,144	TBD	Spending deadline June 2026. Admin –evaluation and existing staff FY 22-23
HHAP-4**	\$1,684,678	\$2,406,682	\$19,975,462	\$24,066,822	TBD	Spending deadline June 2027
TOTAL	\$1,684,678	\$6,503,289	\$47,865,757	\$56,053,724		

System
Performance
Measures
(HUD, County
and State of
CA)

- Reduce the number of persons experiencing homelessness.
- Reduce the number of persons who become homeless for the first time.
- Increase the number of people exiting homelessness into permanent housing.
- Reduce the length of time persons remain homeless.
- Reduce the number of persons who return to homelessness after exiting homelessness to permanent housing.
- Increase successful placements from street outreach.

Rationale for Funding Recs

- Invest across the spectrum of stabilize, house, prevent.
- Align with PATH Framework, All Home Modeling, County modeling.
- Focus on meeting performance outcomes to unlock bonus funding
- Leverage opportunity to fund permanent housing with other funds (e.g.Homekey)

Recommendations



Preserve existing Interim beds (563)/ spaces (147) and hygiene interventions
\$16.5 million
FY 22-23



Expand Exit/Workforce Funding for Existing Beds to Increase Flow
(\$1.7 million available now)



Fund Oakland Youth Guaranteed Income Pilot
\$1.69 million (from youth set aside)
FY 21-24



Invest in Operating Subsidies for 50 Permanent ELI Units Through HomeKey
\$10 million +

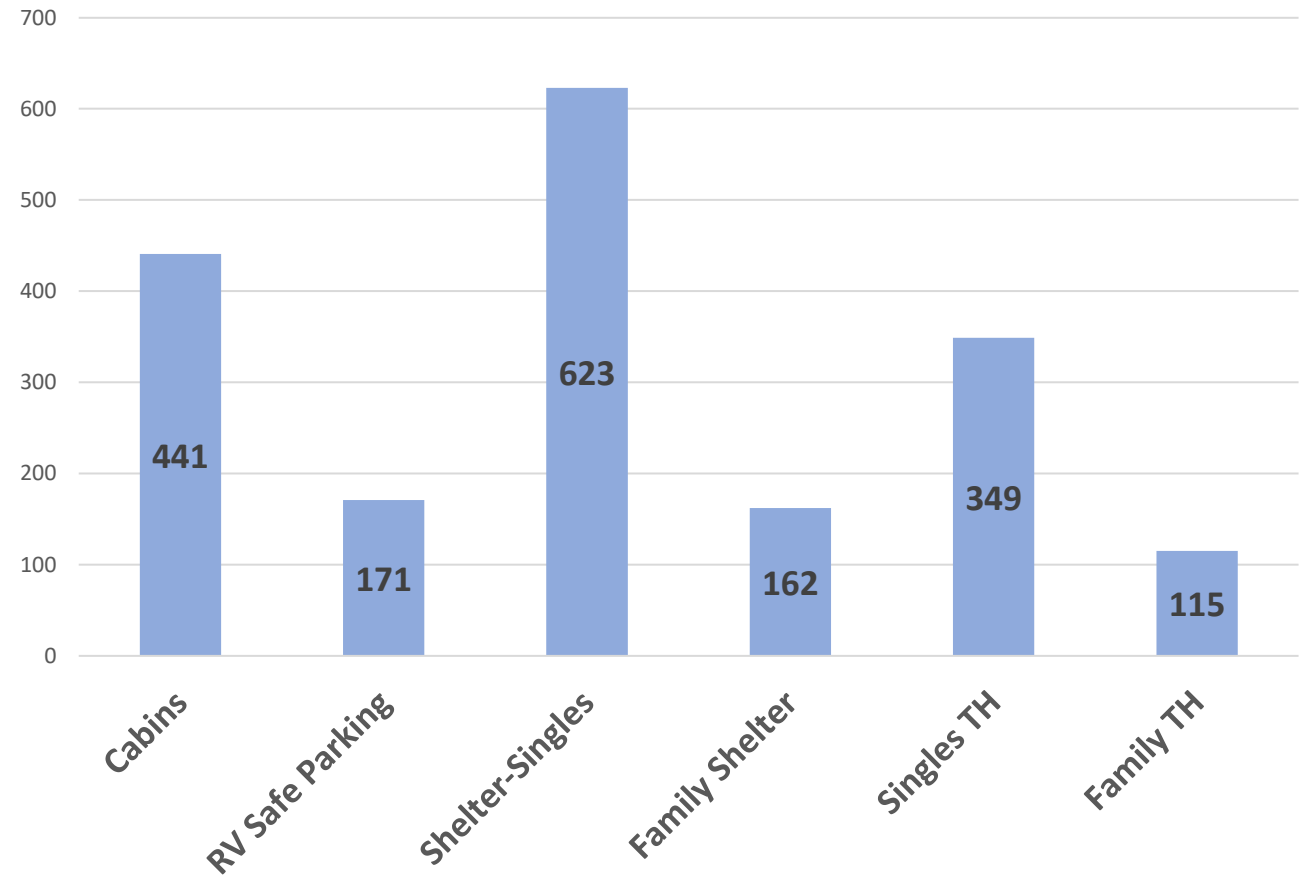
CURRENT AND FUTURE FUNDING RECOMMENDATION

	FY 21-22			FY 22-23	FY 23-24
	HHAP-1 (youth)	HHAP-2	HHAP-3	HHAP-3	HHAP-4
Grant Dollars for Program	\$945,000	\$8,659,758	\$4,813,365	\$17,568,780	\$22,382,144
Youth Guaranteed Income	\$945,000	\$744,925			
HomeKey Operating Support		\$7,914,833	\$2,085,167		
Preserve Existing Interim Beds/Spaces- Adults 511 beds; 147 spaces –approx. 294 ppl				\$13,668,000	\$13,936,000
Preserve Existing Interim Beds-(TAY) 22 beds				\$388,292	\$395,905
Preserve Minimum Level of Hygiene Interventions (40 sites; 18 shower sessions/week)				\$2,295,000	\$2,457,000
LM Lodge*					
Total Program Recommendations	\$945,000	\$8,659,758	\$2,085,167	\$16,351,292	\$16,788,905
Youth Unprogrammed			\$962,673	\$1,055,717	\$2,010,777
General Unprogrammed	\$0	\$0	\$1,765,525	\$161,771	\$3,582,462

*Lake Merritt Lodge is not in current round of Homekey. To sustain the 92 units at the current FEMA rate would cost in excess of \$6 million annually unless more favorable rate is negotiated.

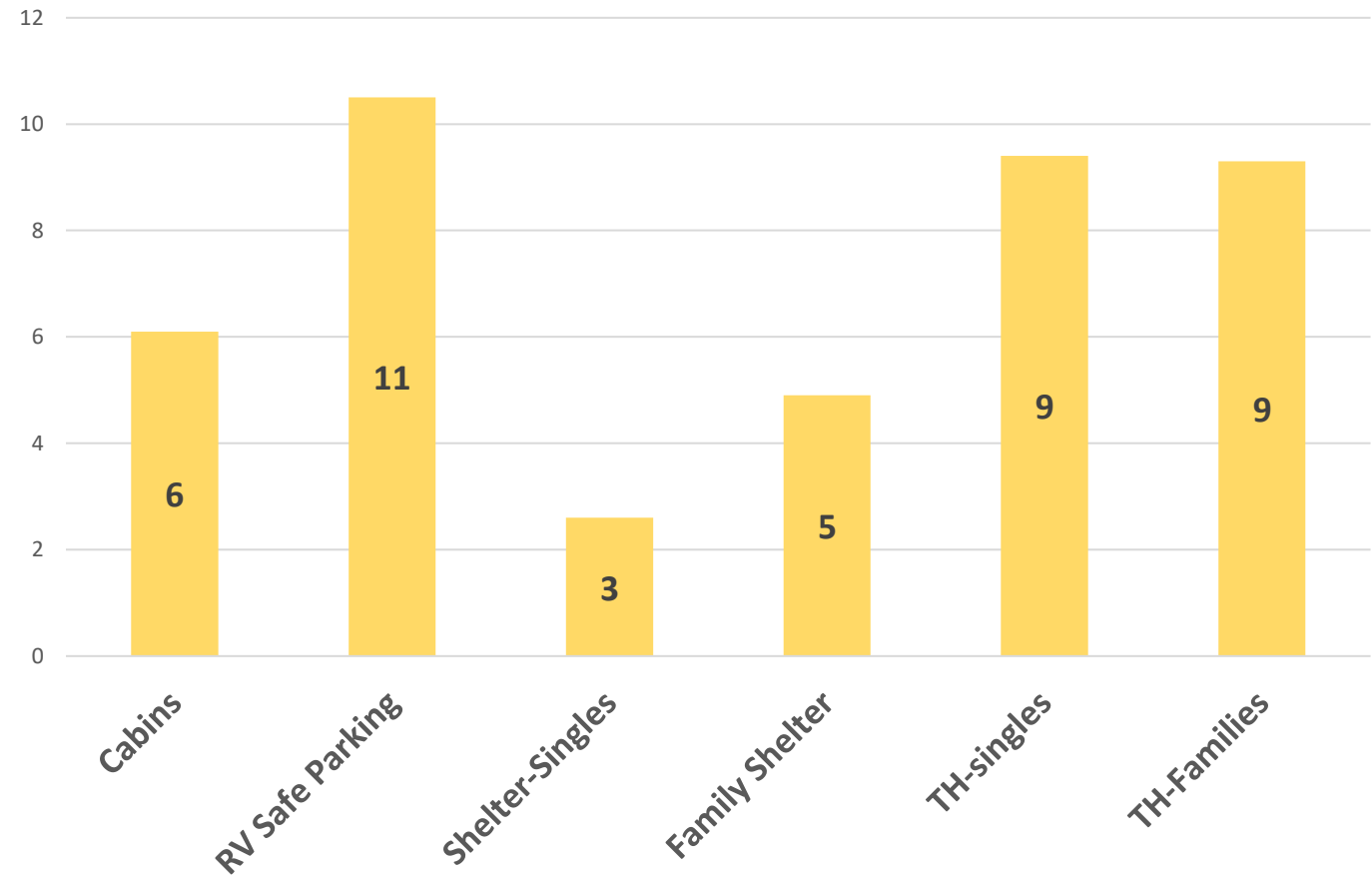
Performance of Interim Interventions

FY 20-21 Numbers Served – Interim Interventions



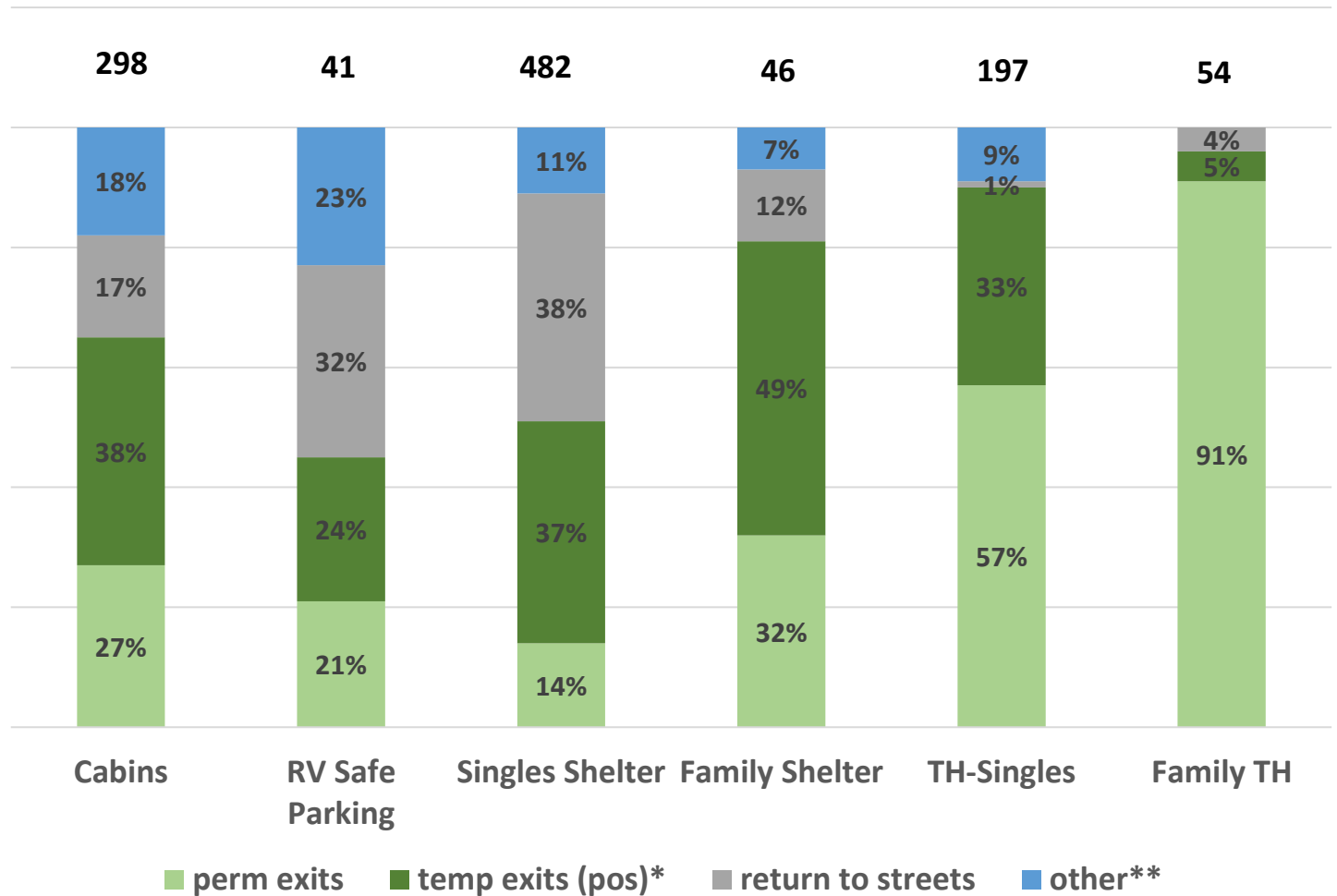
Performance of Interim Interventions

FY 20-21 Average Length of Stay (months)



Performance of Interim Interventions

FY 20-21 Exit Destinations



*includes all temp exits except hospital (physical or mental health) and jail

** includes other, unknown, data not collected

Youth Set-Aside Funds

Youth Guaranteed Income Pilot (cash plus model)

Goal:

- Reduce youth homelessness in Oakland
- Change policy at State and Federal level

Model:

- 45 homeless young adults 18-24 years old
- \$1100/month cash transfer for 24 months (up to \$1400/month if parenting)
- Provider-Young Women's Freedom Center
- UpTogether – platform for distributing funds (card, app, direct deposit, etc)
- Partnership with Chapin Hall Policy Research Center (University of Chicago) on national study of this model
- Partnership with Point Source Youth-national advocacy and technical assistance agency
- First study to look at this model with young adults experiencing homelessness

House: Oakland's Homekey RFP

- **Homekey Likely Requires Local Capital Match**
 - Homekey program has set matching requirements on a per-unit basis, match will vary by proposal
 - Per HCD Strategic Action Plan, HCD proposes to dedicate at least \$10M from HOME-ARP, Measure KK (Transitional Housing), CDBG-CV, and/or Housing Trust Fund, depending on the RFP responses received
 - Homekey RFP proposals requested over \$32M in Local Capital Match
- **Homekey Requires Operating Subsidy**
 - Propose dedicating portion of City's HHAP for capitalized operating reserves (e.g. Clifton Hall)
 - No OHA PBS8 available; HCD is discussing alternatives to traditional PBS8 that OHA may offer for Homekey projects.
 - Emergency vouchers are tenant-based and not dependable enough for sponsors without additional operating subsidy.
 - Homekey RFP proposals requested over \$43M in capitalized operating subsidy

Unfunded Areas of Interest*

*Details in appendix

Assess based on ability to drive system performance and align with 1:4:4 model

- Lake Merritt Lodge
- Plumbing Existing Interim Sites
- Expand Interim Beds/Spaces
- Evaluation of Homeless Services Strategies
- Racial Equity/Anti-racism training for homeless services staff and leadership
- Workforce Programming
- RV Dump Stations

Next Steps

- December: Council approvals of HHAP 2.0 and 20% of HHAP 3.0, Homekey
 - December 13th – LEC
 - December 21st – Full Council
- January: Review system modeling analysis
- Spring 2022: Continue to review performance data and approve HHAP 3 Application

Appendix

Alternative Option and Costs

<u>Option</u>	<u>Costs</u>	<u>numbers served</u>	<u>Notes</u>
Workforce programming Continue workforce model of paid internships with homeless service providers leading to employment in the homeless services field	\$250,000	30 participants / year	DST currently implementing this model. Funding ends in February.
Plumbing Existing Sites-showers and toilets	b/t \$300k-\$500k/site		
RV Dump Station(s)	costs per site: \$100,000 site set up. \$100,000/year operations		Assumes construction of these sites can fall under emergency shelter crisis ordinance. If not-site set up costs will be much higher and will take much longer.
Outside Evaluation of homeless services strategies	\$300,000		
Racial Equity/Anti Racism training for homeless services staff/leadership	\$200,000		
Lake Merritt Lodge	\$6.8M/year-on going operations \$2.2M for exits		assume could be slightly less if able to negotiate lower rate with building owner currently funded with one time Measure W

Exit Resources-Models/Examples

<u>Option</u>	<u>Costs</u>	<u>numbers served</u>
Exit Resources - General		
Exit Resources for households to get help with housing problem solving and light touch financial assistance (approx \$4500/household)	\$900,000	200 ppl
Workforce programming		
Exit resources focusing on people exiting interim sites (cabins, shelter, RV sites) who are ready, willing and able to work. Partial subsidies and services (housing navigation, workforce) for 40 participants for 1 year	\$1.4M	40 ppl

InterimSite Options and Costs

<u>Site</u>	<u>Use</u>	<u>Considerations - pros/cons</u>	<u>Approx Site set up costs - one time</u>	<u>Approx provider costs-annual</u>
796 66 th Avenue (D7)	Safe RV Parking - up to 150 RVs. Could also hold RV site and Cabin/Interim structure site	pros: large lot - could accommodate both RV's and cabins, close to public transit and amenities, city owned - no end date	\$1.2 M site prep for 150 RV site	approx \$2.7 million for 150 RV site*
Wood St - north half (D3)	TBD-possible cabins/interim structures- up to 100 single units	pros: already paying for the site, some site prep already complete cons: current lease ends Nov 2022 and need to negotiate extension	TBD	Approximately \$2.25 million for 100 ppl
BART lots - 40th/MLK (D1)	23 cabins/interim structures	pros: good location-close to public transit and amenities; cons: small site - not as much economy of scale. BART Board must authorize. Site will be developed in approx 5 years	TBD	\$600,000
Wake Ave (Oakland Army Base - North Gateway Area)	RV Safe Parking. Can scale up in increments of 100 RVs	pros: large space, can accommodate many people cons: far away from services and amenities, requires state toxic remediation process (DTSC), expensive site prep, site only available through 2024	\$1.8M; additional \$400k per 100 RVs;	estimate \$1.8 million per first 100 RV's served.* May be some reduced costs for additional increments of 100 Rvs.
City owned Lot next to Home Depot parking lot (D1)	Safe RV Parking	Need to confirm city timeline for 42nd ave construction- site availability. Site is small and would likely need private lot to reach an economy of scale but potential toxicity issues	TBD	TBD
Under 880 freeway at High st. (D5)	Safe RV Parking for up to 100 RVs	pros: large space, paved, fenced cons: CalTrans will not currently allow programming directly under freeway	TBD	estimate \$1.8 million for 100 RV's served.*
Lao Family Program - Motel 6- 8480 Edes Ave (D7)	130 units Transitional Housing and short term exit resources	pros: no one time capital costs, brick and mortar building offers more stability for participants; higher level of supportive services provided compared with RV Safe parking model; cons: proposed budget is \$100/bednight other TH programs average around \$75/bednight	N/A	\$4,784,918

Costs of Current Interim Interventions

Intervention	Beds/ Spaces	Annual Operating Costs	Cost per bed night/or space	Capital Costs/Start-up Estimates	Notes
Transitional Housing	85	\$2,200,000	\$70.90	\$7,000,000	More exit resources, follow up case management
Community Cabins	40	\$900,000	\$61.60	\$250,000- \$475,000	Limited exit resources
RV Safe Parking	45 spaces	\$850,000	\$58.20	\$100,000 - \$1,000,000	Limited exit resources and services; costs higher at some sites due to security concerns
Emergency Shelter	100	\$1,400,000	\$38.35	N/A	Limited services /no exit resources
Lake Merritt Lodge	92 rooms	\$6,800,000	\$202.00	\$0	Prop mgt, nursing, in home support services, food, case mgt; no exit resources
HomeBase Trailers	128	\$1,400,000	\$29.96	\$1,000,000 (trailers provided free from state)	Housing navigation and exit resources supported by County, OHA, other sources
Lakeview Village	65	\$1,500,000	\$63.22	\$1,531,000	